

**COULEE BATON GRAVITY
DRAINAGE DISTRICT NO. 1**
Vermilion Parish, Louisiana

Financial Report

Year Ended December 31, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/29/11

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ACCOUNTANT'S COMPILATION REPORT

Board of Commissioners
Coulee Baton Gravity
Drainage District No. 1
Vermilion Parish, Louisiana

We have compiled the accompanying financial statements of the Coulee Baton Gravity Drainage District No. 1 (the Drainage District), a component unit of the Vermilion Parish Police Jury, as of and for the year ended December 31, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Drainage District is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management of the Drainage District, in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principals generally accepted accounting in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the District's financial position, and the changes in fund balance. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Management has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

Coulee Baton Gravity Drainage District No. 1 did not adopt the provisions of Governmental Accounting Standards Board Statement No. 34 for the year ended December 31, 2010. The effects of this departure from generally accepted accounting principals has not been determined.

The budgetary comparison information and the schedule of compensation paid to board of commissioners, on page 7 and page 9 respectively, are not required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board and the State of Louisiana, Legislative Auditor. We have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or provide any assurance on the supplementary information.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
June 8, 2011

FINANCIAL STATEMENTS

COULEE BATON GRAVITY DRAINAGE DISTRICT NO. 1
Vermilion Parish, Louisiana

Combined Balance Sheet - All Fund Types and Account Groups
December 31, 2010

		<u>Governmental Fund Types</u>	
		<u>General</u>	<u>Debt</u>
		<u>Fund</u>	<u>Service</u>
			<u>Fund</u>
ASSETS			
Cash		\$ 20,844	\$ 65,540
Ad valorem taxes receivable		78,787	54,362
Revenue sharing receivable		3,476	-
Land, building, and equipment		-	-
Amount to be provided for debt retirement		-	-
Total assets		<u>\$103,107</u>	<u>\$119,902</u>
LIABILITIES AND FUND EQUITY			
Bonds payable		<u>\$ -</u>	<u>\$ -</u>
Fund equity:			
Investment in general fixed assets		-	-
Fund Balance -			
Reserved for debt service		-	119,902
Unreserved - undesignated		<u>103,107</u>	<u>-</u>
Total fund equity		<u>103,107</u>	<u>119,902</u>
Total liabilities and fund equity		<u>\$103,107</u>	<u>\$119,902</u>

See Accountant's Compilation Report.

Account Groups		
General Fixed Assets	General Long-Term Debt	Total (Memorandum Only)
\$ -	\$ -	\$ 86,384
-	-	133,149
-	-	3,476
3,684	-	3,684
-	28,000	28,000
<u>\$ 3,684</u>	<u>\$ 28,000</u>	<u>\$ 254,693</u>
 \$ -	 \$ 28,000	 \$ 28,000
 3,684	 -	 3,684
 -	 -	 119,902
 -	 -	 103,107
<u>3,684</u>	<u>-</u>	<u>226,693</u>
<u>\$ 3,684</u>	<u>\$ 28,000</u>	<u>\$ 254,693</u>

COULEE BATON GRAVITY DRAINAGE DISTRICT NO. 1
Vermilion Parish, Louisiana

Statement of Revenues, Expenditures, and
Changes in Fund Balances -
All Governmental Fund Types
Year Ended December 31, 2010

	Governmental Fund Types		Total
	General Fund	Debt Service Fund	(Memorandum Only)
Revenues:			
Ad valorem taxes	\$ 91,760	\$ 63,332	\$ 155,092
Intergovernmental			
State revenue sharing	5,241	-	5,241
Other	10,000	-	10,000
Other income	156	-	156
Interest income	74	150	224
Total revenues	<u>107,231</u>	<u>63,482</u>	<u>170,713</u>
Expenditures:			
Public works - drainage:			
Salaries and related benefits	8,149	-	8,149
Compensation paid to board of commissioners	5,200	-	5,200
Office supplies	850	-	850
Accounting and legal	2,400	-	2,400
Insurance	1,587	-	1,587
Repairs and maintenance	2,892	-	2,892
Pension	3,013	2,079	5,092
Drainage and soil conservation	71,516	-	71,516
Miscellaneous	3,065	-	3,065
Fuel and lubricant	21	-	21
Debt service -			
Principal retirement	-	29,000	29,000
Interest and fiscal charges	-	2,731	2,731
Total expenditures	<u>98,693</u>	<u>33,810</u>	<u>132,503</u>
Excess of revenues over expenditures	<u>8,538</u>	<u>29,672</u>	<u>38,210</u>
Other financing sources:			
Sale of equipment	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Net change in fund balance	11,038	29,672	40,710
Fund balance, beginning of year	<u>92,069</u>	<u>90,230</u>	<u>182,299</u>
Fund balance, end of year	<u>\$ 103,107</u>	<u>\$ 119,902</u>	<u>\$ 223,009</u>

See Accountant's Compilation Report.

COULEE BATON GRAVITY DRAINAGE DISTRICT NO. 1
Vermilion Parish, Louisiana

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual - General Fund
Year Ended December 31, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:			
Ad valorem taxes	\$ 74,970	\$ 91,760	\$ 16,790
Intergovernmental			
State revenue sharing	5,019	5,241	222
Other	10,000	10,000	-
Other income	156	156	-
Interest income	84	74	(10)
Total revenues	<u>90,229</u>	<u>107,231</u>	<u>17,002</u>
Expenditures:			
Public works - drainage:			
Salaries and related benefits	8,054	8,149	(95)
Compensation paid to board of commissioners	4,900	5,200	(300)
Office supplies	100	850	(750)
Accounting and legal	1,800	2,400	(600)
Insurance	1,587	1,587	-
Repairs and maintenance	3,452	2,892	560
Pension	3,013	3,013	-
Drainage and soil conservation	76,418	71,516	4,902
Miscellaneous	12,914	3,065	9,849
Fuel and lubricant	21	21	-
Total expenditures	<u>112,259</u>	<u>98,693</u>	<u>13,566</u>
(Deficiency) excess of revenues over expenditures	<u>(22,030)</u>	<u>8,538</u>	<u>3,436</u>
Other financing sources:			
Sale of equipment	<u>2,500</u>	<u>2,500</u>	<u>-</u>
Net change in fund balance	(19,530)	11,038	3,436
Fund balance, beginning of year	<u>92,069</u>	<u>92,069</u>	<u>-</u>
Fund balance, end of year	<u>\$ 72,539</u>	<u>\$ 103,107</u>	<u>\$ 3,436</u>

See Accountant's Compilation Report.

SUPPLEMENTARY INFORMATION

COULEE BATON GRAVITY DRAINAGE DISTRICT NO. 1

SCHEDULE OF COMPENSATION PAID TO BOARD OF COMMISSIONERS

Year Ended December 31, 2010

See Accountant's Compilation Report

Roland Harrington, President	\$ 1,300
Jimmie J. Meaux, Sr.	1,200
Pervis J. Lege	1,100
Samuel Noel	600
Joey Couvillon	<u>1,000</u>
Total	<u>\$ 5,200</u>

The schedule of compensation paid to board members is presented in compliance with House Concurrent Resolutions No. 54 of the 1979 Session of the Louisiana Legislature.

The board members receive \$100 per diem for attendance at meetings of the Board.

COULEE BATON GRAVITY DRAINAGE DISTRICT NO. 1
Vermilion Parish, Louisiana

Schedule of Current and Prior Year Findings
and Management's Corrective Action Plan
Year Ended December 31, 2010

I. Prior Year Findings:

Internal Control Over Financial Reporting

09-1 Inadequate segregation of accounting functions

Finding:

Due to the small number of employee, Coulee Baton Drainage District No. 1 did not have adequate segregation of functions within the accounting system.

Management's Corrective Action Plan:

Jewitt Hulin, Secretary/Treasurer, has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

Current Status:

Unresolved. See item 10-1.

Compliance

09-2 Failure to Comply with LSA RS 39:1311

Finding:

The District had actual expenditures that exceeded budgeted expenses by more than 5% in violation of LSA-RS 39:1311.

Management's Corrective Action Plan:

Management will adopt the budget as required by LSA-RS 39:1311.

Current Status:

Resolved.

Other Matters

There were no findings in this section at December 31, 2009.

(continued)

COULEE BATON GRAVITY DRAINAGE DISTRICT NO. 1
Vermilion Parish, Louisiana

Schedule of Current and Prior Year Findings
and Management's Corrective Action Plan
Year Ended December 31, 2010

II. Current Year Findings:

Internal Control Over Financial Reporting

10-1 Inadequate segregation of accounting functions

Finding:

Due to the small number of employee, Coulee Baton Drainage District No. 1 did not have adequate segregation of functions within the accounting system.

Management's Corrective Action Plan:

Jewitt Hulin, Secretary/Treasurer, has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

Compliance

10-2 Failure to Comply with LSA-RS 33:4712

Finding:

The Coulee Baton Drainage District did not comply with the provisions of LSA-RS 33:4712(F) related to the sales of surplus property. The District did not publish the sale information. It is recommended that the District. (1) adopt a resolution giving reasons for the action on the part of the governing authority and fixing the minimum price and terms of sale, (2) publish a notice of the resolution and proposed sale once at least fifteen days prior to the date of the sale in the official journal of the municipality, and (3) make the sale to the person with the highest bid.

Management's Corrective Action Plan:

Mr. Jewitt Hulin, Secretary/Treasurer will monitor the process for the sale of items more closely in order to ensure that the District complies with the all requirements of LSA-RS 33:4712(F).

Other Matters

There were no findings in this section at December 31, 2010.